

Mr. MACDONALD. Mr. Brown?

Mr. BROWN. Not having had the benefit of all the previous legislation offered in this area and hearings on it I want to ask a few questions to get this clear in my own mind. It is your contention that if a company interconnects for emergencies only and does not cross State lines then it can qualify as intrastate only and not be subject to the Federal Power Commission under this legislation; is that right?

Mr. FIRE. No; that is not the basis exactly of this. This bill provides that if a company connects at the State line with another company directly in another State, then whether it is for emergency or anything else it is subject to jurisdiction.

This bill provides that a company that has all of its facilities in one State and is not connected at the State line directly with a company outside is not subject to FPC.

Now, on the emergency, it just happens that that is the way we operate here in our system. We only use these interconnections for emergency. This is all they are used for. If they were used for transmitting power up into Georgia with a contract through that corporation intervening, then we would lose our exemption under this bill.

Mr. BROWN. Well, the technicality of a written contract doesn't impress me too much. I am trying to get at the actual circumstance. If you are self-sustaining on peak power production and you are not a transmission line from a company producing more than its own needs to a company producing less than its own needs, or to another carrier, and all of your lines are within a State, these qualifications that would exempt you from FPC regulation, isn't that right?

Mr. FIRE. I believe that is correct if I understand your question. You must be connected directly in order to be subject. If you are not connected directly under this bill then you are exempt.

Mr. BROWN. I am trying to get what may be the ultimate result of this bill.

Now, the suggestion has been made that there are only a few companies which would qualify in this instance, but would this bill serve to encourage for any reason companies which are completely within a State but are now buying power from other companies to create their own generating facilities so that they could be self-sustaining and then not be interconnected except for emergency purposes?

Mr. FIRE. No, sir, I don't think so. I don't believe that this bill would bring that about at all.

As a matter of fact, I don't think this bill will bring about any changes of any kind that I can imagine. There are 11 situations involved here, none of which now have interconnections into other States directly and they are not subject to the FPC or at least haven't been in the past, and although jurisdiction has been asserted, it hasn't been established in any one of these 11 cases, so we are only talking about 11 companies and if this bill is enacted they will not be subject.

Now, it won't encourage any other company to do anything that I can think of. It is not intended to. Let me say that. It is not intended to have another company do anything to remove itself from the jurisdiction of the Federal Power Commission.

Mr. BROWN. Are all these companies of which you speak self-sustaining with reference to their own power resources and needs?

Mr. FIRE. How about that Mr. Fuqua? Do you know any that are not?